

**63A-5-603. State Facility Energy Efficiency Fund -- Contents -- Use of fund money.**

(1) As used in this section:

(a) "Board" means the State Building Board.

(b) "Division" means the Division of Facilities Construction and Management.

(c) "Fund" means the State Facility Energy Efficiency Fund created by this section.

(2) There is created a revolving loan fund known as the "State Facility Energy Efficiency Fund."

(3) To capitalize the fund, the Division of Finance shall, at the end of fiscal year 2007-08, transfer \$3,650,000 from the Stripper Well-Petroleum Violation Escrow Fund to the fund.

(4) The fund shall consist of:

(a) money transferred under Subsection (3);

(b) money appropriated by the Legislature;

(c) money received for the repayment of loans made from the fund; and

(d) interest earned on the fund.

(5) The board shall make a loan from the fund to a state agency to, wholly or in part, finance energy efficiency measures.

(6) (a) (i) A state agency requesting a loan shall submit an application to the board in the form and containing the information that the board requires, including plans and specifications for the proposed energy efficiency measures.

(ii) A state agency may request a loan to fund all or part of the cost of energy efficiency measures.

(b) If the board rejects the application, the board shall notify the applicant stating the reasons for the rejection.

(7) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the board shall make rules establishing criteria to determine:

(i) loan eligibility;

(ii) energy efficiency measures priority; and

(iii) ways to measure energy savings that take into account fluctuations in energy costs and temperature.

(b) In making rules that establish prioritization criteria for energy efficiency measures, the board may consider:

(i) possible additional sources of revenue;

(ii) the feasibility and practicality of the energy efficiency measures;

(iii) the energy savings attributable to eligible energy efficiency measures;

(iv) the annual energy savings;

(v) the projected energy cost payback of eligible energy efficiency measures;

(vi) other benefits to the state attributable to eligible energy efficiency measures;

(vii) the availability of federal funds for the energy efficiency measures; and

(viii) whether to require a state agency to provide matching funds for the energy efficiency measures.

(8) (a) In reviewing energy efficiency measures for possible funding, the board shall:

(i) review the loan application and the plans and specifications for the energy

efficiency measures;

(ii) determine whether to grant the loan by applying the loan eligibility criteria;  
and

(iii) if the loan is granted, prioritize funding of the energy efficiency measures by applying the prioritization criteria.

(b) The board may condition approval of a loan application and the availability of funds on assurances from the state agency that the board considers necessary to ensure that the state agency:

(i) uses the proceeds to pay the cost of the energy efficiency measures; and

(ii) implements the energy efficiency measures.

(9) The State Building Energy Efficiency Program shall provide staff support when the board performs the duties established in this section.

Enacted by Chapter 334, 2008 General Session